



# Tourism Saskatchewan

2008/2009 ANNUAL REPORT

Tourism is a significant industry for Saskatchewan. This past year, as the world around us battled economic turmoil, our province was the one good news story. Although the sector faces a number of challenges, it has not only remained strong, but has shown growth on a number of levels. Tourism continues to be our province's fourth largest export industry, contributing close to \$1.6 billion to Saskatchewan's economy.

The province boasts a fascinating history, magnificent natural beauty, and some of the friendliest people on earth. Approximately 4,200 attractions, events and tourism-related businesses entertain, educate, and excite the many people that visit our province and those who call Saskatchewan home. More than 8.2 million visits to Saskatchewan occurred in 2008.

Even with this success, there are still opportunities for growth and development. In order to sustain this momentum, it is essential that Tourism Saskatchewan continues to market the province strategically and meets the four objectives set forth within its Ends Policies.

Building on success in 2008-2009 and looking forward to the coming year, Tourism Saskatchewan will PROMOTE Saskatchewan, DEVELOP capacity, ADVOCATE on behalf of Saskatchewan's tourism industry and LEAD through corporate stewardship. In turn, the organization will achieve its Vision of being "the driving force in the development and marketing of a world-class destination."

*To advance. To further the growth or progress of  
To help or encourage to exist or flourish. To promote*

*To cause to grow or expand. To increase  
To bring out the special features of*

# 2008-2009 in Review

With innovation and creativity, Tourism Saskatchewan was successful in raising the province's profile and creating awareness of its abundant tourism resources, despite a year marked by challenges, including a downturn in the global economy.

Appealing to neighbouring provinces and residents of Saskatchewan, the tourism sector was resilient, experiencing growth in some areas in 2008-2009.

Targeted marketing initiatives, involving social media and guerilla tactics, caught the attention of travellers from across Canada and North America. An extensive advertising campaign in Alberta, including television spots using high-definition videography, newspaper inserts, magazine advertorials, and a Saskatchewan parade through downtown Calgary, generated buzz in that province. In the United States, print-based and online advertising promoted Saskatchewan's world-class fishing and hunting products.

The establishment of a social media program resulted in Tourism Saskatchewan's presence on *Facebook*, *Twitter*, *YouTube*, *Digg*, and *Picasa*. Other online marketing initiatives included the launch of two new websites – Tourism Saskatchewan's first product-specific website, [www.fishing-in-saskatchewan.com](http://www.fishing-in-saskatchewan.com), and [www.vacationintervention.com](http://www.vacationintervention.com), a fun and informative website to help promote awareness of Saskatchewan as a vacation destination.

Following a comprehensive review of its travel literature series, Tourism Saskatchewan revamped its promotional material to ensure publications remain relevant, easy to use, and appeal to target markets. Several recommendations from the review were implemented in 2009, with more changes to take place in 2010, and future years.

Fostering collaboration and co-operation in Saskatchewan's tourism industry, the second annual *HOST Saskatchewan – Hospitality, Outfitters & Tourism Conference & Trade Show* was a resounding success. Almost 400 delegates assembled for three days of workshops, networking opportunities, and award celebrations.

Destination Area Planning touched many areas of the province from Prince Albert National Park of Canada (PANP) to Cypress Hills Interprovincial Park. Progress has been made on a number of recommendations contained in the Lake Diefenbaker plan, which was finalized in 2008. Work continues on the Cypress Hills Plan, which is nearing completion, and on the PANP Plan, which will further develop the tourism assets of the national park and surrounding area.

Tourism Saskatchewan also collaborated with tourism stakeholders from across Saskatchewan, Alberta, and Manitoba, to promote tourism attractions and events related to the pivotal events of 1885, as part of the Trails of 1885 initiative.

Contributing to a vibrant and robust tourism workforce that numbers more than 57,000 people, the Saskatchewan Tourism Education Council (STEC) achieved a number of objectives set out as part of the *Charting Our Future With the Best People* human resources strategy. There was increased participation in occupation-specific and general tourism education and training programs and services across the province.

Tourism Saskatchewan has developed a plan to lead the organization for the next three years. The Three-Year Business Plan 2009-2012 provides a solid framework for future planning and action guided by four objectives outlined in the organization's Ends Policies – PROMOTE Saskatchewan, DEVELOP capacity, ADVOCATE on behalf of Saskatchewan's tourism industry; and LEAD through corporate stewardship.

Once again, Tourism Saskatchewan was successful in fulfilling its mandated operational objectives, providing core support and direction to the five Tourism Regions and two City Marketing Organizations, managing Visitor Reception Centres, conducting research, supporting STEC in the delivery of its training and education programs, publishing the Saskatchewan travel literature series, and marketing our province to potential visitors around the world.



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*To support. To plead on another's behalf. To champion.  
To argue for a cause. To speak in favour of. To advocate.*

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*To guide or direct. To inspire the conduct of. To be ahead of.  
To go before or with. To show the way. To lead.*



# Message from the Minister

A year of challenges – a time of progress. That might be a way to sum up tourism in Saskatchewan in 2009. If the only thing constant is change, it's how you embrace change that defines who you are and, ultimately, your level of success.

2009 has seen the challenges of a slow recovery from the world-wide economic downturn and the continued strength of Canada's dollar versus its United States counterpart. These factors and others resulted in a challenge for tourism in Canada.

The tourism industry in Saskatchewan remains strong. Because of our strong economy and low unemployment rate, we are actively recruiting people to come here to work, live, and raise a family. The opportunity to explore our province's natural wonders, enjoy the excellent facilities, and experience our warm Saskatchewan hospitality are all contributing factors to keeping them here.

Over the last year, the Government of Saskatchewan has increased its budget significantly for tourism. This investment has shown dividends, as evidenced by the resilience of the industry in a downturn. We also made strategic investments in our magnificent network of provincial and regional parks, including our on-going commitment to add electrical service to 1,000 new and existing campsites. As Saskatchewan residents, we love and value our parks, and close-to-home vacations became even more popular last year.

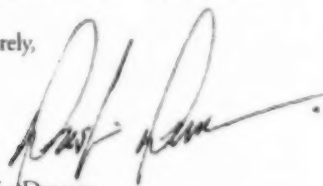
Tourism is a significant part of our government's mission to improve our quality of life and build pride of place in our province. A robust and thriving tourism industry will help to secure our economy and maintain its growth for the future. We also know we can improve. That is why we have engaged a consultant to conduct a review of the tourism industry in Saskatchewan.

The Ministry of Tourism, Parks, Culture and Sport will continue to work with Tourism Saskatchewan, regional tourism associations, and the private sector to promote our province's advantages and the quality of the experiences to be found here.

I look to the next year with enthusiasm and excitement for what is possible as we invite Canada and the world to come and see for themselves.

My best wishes for the year ahead.

Sincerely,



Dustin Duncan  
Minister of Tourism, Parks, Culture and Sport



Ministry of  
Tourism, Parks,  
Culture and Sport





## **DUAL ACCOUNTABILITY**

As a sector-based organization, Tourism Saskatchewan is dually accountable. In the delivery of its strategic business operations, management is responsible for ensuring that Tourism Saskatchewan meets the requirements of eight legislated functions and responds to the policy-based form of governance outlined by the Board of Directors.

## **LEGISLATED FUNCTIONS**

Tourism Saskatchewan was created in 1994, the result of recommendations and supporting work by an industry/government taskforce. Government legislation was passed in support of the new model, and The Tourism Act was revised in 1996 to effectively represent the merging of TISASK, the Saskatchewan Tourism Education Council (STEC), and the product development area of the provincial government with Tourism Saskatchewan.

Identified in The Tourism Act are eight legislated functions that comprise Tourism Saskatchewan's core mandate:

1. The marketing of tourism;
2. The provision of visitor and information services;
3. The education and training of those working in the tourism industry;
4. The planning and development of destination areas;
5. The administration of tourism funding programs;
6. Research and policy development in tourism;
7. Public awareness of tourism; and
8. The development and promotion of tourism in Saskatchewan.

# Message from the Chair

The end of another year provides an opportunity to look back on our many achievements and focus on the new year ahead. This was a year of major strides forward for Tourism Saskatchewan and a time of innovation and creativity.

It was also a time of challenge as the world around us battled economic turbulence. Despite this, Saskatchewan's tourism industry remained stable and, in fact, showed growth in a number of areas, contributing \$1.589 billion to Saskatchewan's economy in 2008.

To maintain that strength in the industry, strategic planning and forward thinking is necessary and several Tourism Saskatchewan initiatives in 2008-2009 are evidence of just that. Armed with a revised Vision and Ends Policies, the organization set out to accomplish its unique and complex mandate that encompasses marketing, education and training, visitor services, industry development, research, member services, and more.

The four objectives outlined in the Ends Policies provide clear guidance to the organization – promote Saskatchewan, develop capacity, advocate on behalf of Saskatchewan's tourism industry, and lead through corporate stewardship. These statements were formulated with consideration of the significant potential that exists for tourism growth in Saskatchewan, while determining goals and objectives that are realistic given the current operating environment.

Notable highlights of the 2008-2009 fiscal year include: the development of a Three-Year Business Plan that will lead Tourism Saskatchewan into 2012; the resounding success of the second annual *HOST Saskatchewan – Hospitality,*

*Outfitters & Tourism Conference & Trade Show*, held in Regina in March; innovative and targeted marketing initiatives involving social media and guerilla tactics that raised Saskatchewan's profile in neighbouring provinces and across Canada; destination area planning that spanned the province from Prince Albert National Park of Canada to Cypress Hills Interprovincial Park; a revamp of Tourism Saskatchewan's travel literature series; the implementation of an effective tourism human resources strategy; and the advocacy efforts of the ambassadors of Saskatchewan's tourism industry – the President's Task Teams.

The strength of our industry and weathering the storm this past year can also be directly attributed to the dedication and commitment of the organizations, owners, operators, and employees who are the driving force behind Saskatchewan's tourism industry. I never cease to be impressed by the spirit and enthusiasm of these people scattered throughout our wonderful province.

Tourism Saskatchewan has a leadership role to play in encouraging operators, sector organizations, the business community, our vibrant cities, and all levels of government to work collaboratively in order to best serve our industry. Fostering relationships is vital for success, reinforcing the understanding that by working together, we can accomplish great things.

We appreciate the commitment to tourism by our government partners, the Ministry of Tourism, Parks, Culture and Sport. Building on the \$3.5 million increase to Tourism Saskatchewan's annual budget in March 2008, the provincial government committed an additional 2.5 percent in annual funding, demonstrating forward thinking and responsible action, as well as signaling



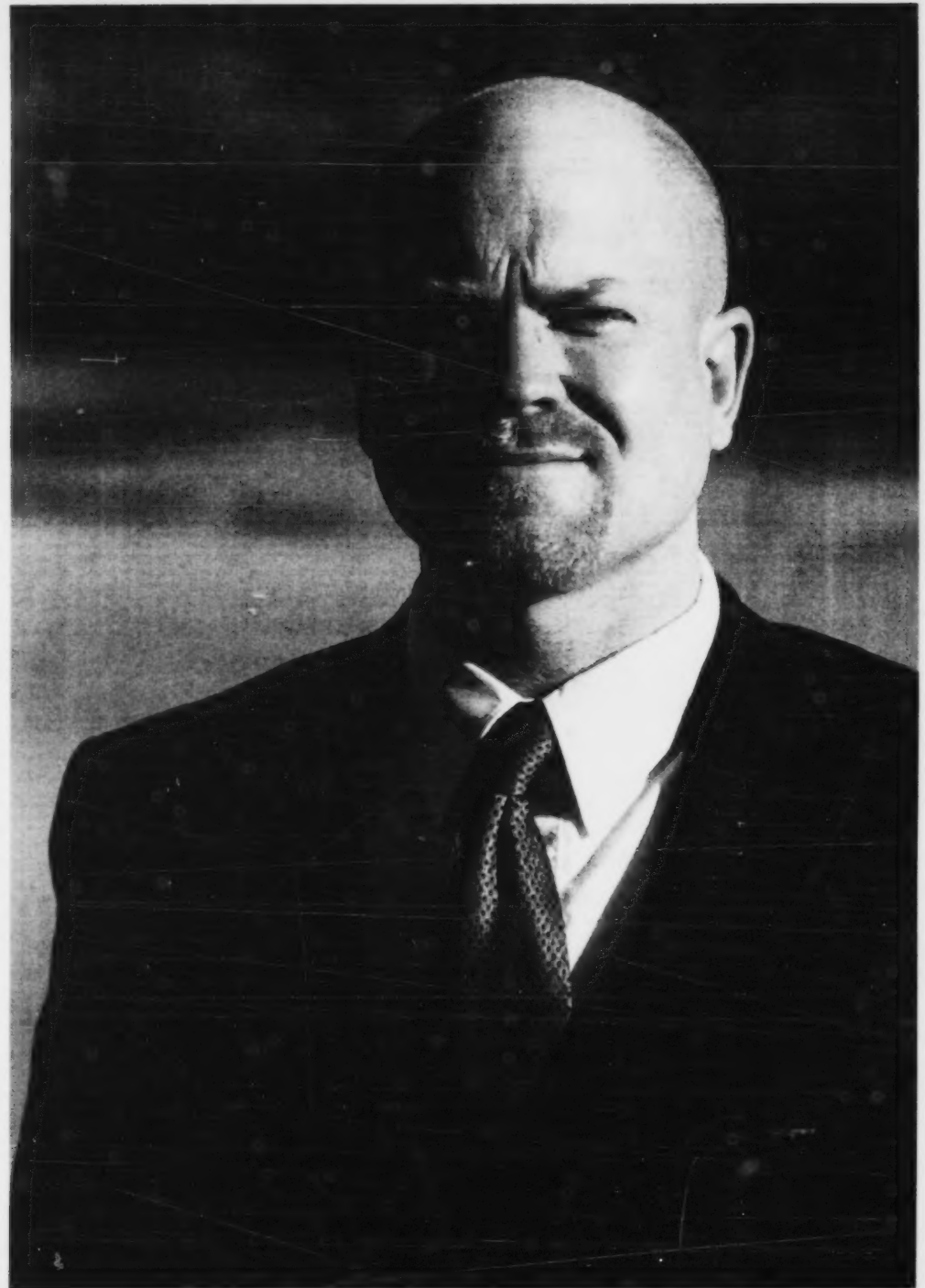
renewed optimism in Saskatchewan tourism.

As Chair, I would like to conclude by recognizing and thanking Dr. Lynda Haverstock and the professional staff of Tourism Saskatchewan, the dedicated members of our Board, volunteer committees, President's Task Teams, Tourism Regions, government partners, and sponsors who all contribute to the success of Saskatchewan's dynamic tourism sector.

2008-2009 was a year in which our organization and our entire industry can take pride, and one that helped lay a foundation that will continue to earn returns for our province for years to come. On behalf of the Board of Directors, I offer our sincere appreciation.



Carey Baker



# Board of Directors

Tourism Saskatchewan is governed by a 15-member Board of Directors – 10 industry-appointed positions, three elected by the membership, and two appointed by the Government of Saskatchewan. These individuals volunteer their time and efforts to the organization, and

commit to representing the entire industry, rather than the interests of their respective sectors. On behalf of the industry, the Board of Directors meets approximately eight times annually to monitor the work of Tourism Saskatchewan and provide direction to the administration.

## 2008-2009 BOARD OF DIRECTORS

Carey Baker, Chair, West Central/East Central Tourism Regions

Sue Schigol, Vice Chair, Saskatchewan Outfitters Association

Larry Bird, Member-at-Large

Joe Chad, Member-at-Large

Tony Coppola, Tourism Regina

Jasmine DeBlois, Saskatchewan Hotel and Hospitality Association

Chris Dekker, Government of Saskatchewan

Randy Goulden, Member-at-Large

Daryl Safinuk, Southwest/South East Tourism Regions

Brenda Sherring, Heritage, Arts and Multicultural Communities

Andrew Turnbull, Tourism Saskatoon

Wynne Young, Government of Saskatchewan

Vacant, Métis Nation – Saskatchewan

Vacant, Northern Tourism Region

Vacant, Federation of Saskatchewan Indian Nations

The following information demonstrates the attendance of individual Board of Directors at seven board meetings held during the October 1, 2008 to September 30, 2009 fiscal year.

*Please note: Terms of Board Members run per calendar year.*

Carey Baker (7/7)

Larry Bird (4/7)

Dale Botting (1/6)<sup>i</sup>

Joe Chad (5/5)

Tony Coppola (5/7)

Pat Cook (1/2)<sup>ii</sup>

Jasmine DeBlois (2/5)

Chris Dekker (0/1)<sup>iii</sup>

Rusty Gardiner (5/6)<sup>iv</sup>

Randy Goulden (5/5)

Lance Grosco (2/2)<sup>v</sup>

Van Isman (5/6)<sup>vi</sup>

Janet Olsen (2/2)<sup>vii</sup>

Daryl Safinuk (5/7)

Sue Schigol (4/7)

Brenda Sherring (7/7)

Darlene Stakiw (2/2)<sup>viii</sup>

Andrew Turnbull (4/7)

Wynne Young (0/1)<sup>ix</sup>

Federation of Saskatchewan Indian Nations<sup>x</sup>

Métis Nation of Saskatchewan<sup>xi</sup>

Northern Tourism Region<sup>xii</sup>



left to right: Tony Coppola, Daryl Safinuk, Jasmine DeBlois, Larry Bird, Randy Goulden, Chris Dekker,  
Wynne Young, Joe Chad, Andrew Turnbull, Carey Baker  
Missing: Sue Schigol, Brenda Sherring

<sup>i</sup> Dale Botting, appointed by the Government of Saskatchewan, ceased to be a member of the Board in June 2009.

<sup>ii</sup> Pat Cook, appointed by the Federation of Saskatchewan Indian Nations, ceased to be a member of the Board on December 31, 2008.

<sup>iii</sup> Chris Dekker was appointed by the Government of Saskatchewan in August 2009.

<sup>iv</sup> Rusty Gardiner, appointed by the Northern Tourism Region, ceased to be a member of the Board in July 2009.

<sup>v</sup> Lance Grosco, appointed by the Saskatchewan Hotel and Hospitality Association, ceased to be a member of the Board on December 31, 2008.

<sup>vi</sup> Van Isman, appointed by the Government of Saskatchewan, ceased to be a member of the Board in June 2009.

<sup>vii</sup> Janet Olsen, Member-at-Large, ceased to be a member of the Board on December 31, 2008.

<sup>viii</sup> Darlene Stakiw, Member-at-Large, ceased to be a member of the Board on December 31, 2008.

<sup>ix</sup> Wynne Young was appointed by the Government of Saskatchewan in August 2009.

<sup>x</sup> This position has been vacant since January 1, 2009.

<sup>xi</sup> This position has been vacant since January 1, 2006.

<sup>xii</sup> This position has been vacant since July 2009.

# Message from the President/CEO

In 2008, amid disconcerting news headlines and global economic chaos, Tourism Saskatchewan optimistically embraced its new Vision Statement of being “the driving force in the development and marketing of a world-class destination.” Refined Ends Policies clearly outlined four concise actions to guide our work – Promote, Develop, Advocate, and Lead.

Throughout the past fiscal year, Tourism Saskatchewan made its own headlines. This news broadcast several of our entertaining and successful initiatives. Effective guerilla marketing resulted in a hit YouTube video of a Saskatchewan “stampede” in downtown Calgary. Striking new images and an evocative theme song tantalized television viewers in Alberta. Our clever “Vacation Intervention” website and its scholarly “host” Dr. Daysoff earned a group of dedicated followers, as did our marketing professionals who blogged and tweeted about the remarkable experiences that our wondrous province has to offer.

Rapid advancements in technology and sophisticated new travel trends require attention without compromising traditional marketing approaches. We are truly proud of the accomplishments of our marketing team. Their creative and cutting-edge achievements have raised Saskatchewan's profile and yielded positive gains for our members and for the tourism sector.

Marketing, however, does not stand alone. There must be products to promote and people to do the work. As always, Tourism Saskatchewan's dedicated Industry Development team welcomed the opportunity to assist operators,

communities, and entire regions. They were a pivotal part of the equation in ensuring that dividends would be paid through solid business planning and collaboration.

The Saskatchewan Tourism Education Council's nationally heralded work continued to address the needs of both employers and employees, forge a counter-strike against the pending labour deficit, and build a healthy, robust tourism workforce.

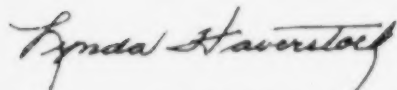
Every department went above and beyond expectations to ensure that our organization met challenges head-on and, as such, proved unwavering commitment to this important sector that contributes significantly to the province's economy and quality of life, and is inextricably linked to Saskatchewan's image. Industry Relations was engaged in a number of bold initiatives, including “makeovers” of our travel guides and corporate website. Finance and Administration set the wheels in motion for Customer Relationship Management and other highly efficient processes, while ensuring yet another cycle of prudent financial oversight.

In 2008-2009, over 50 business and community leaders were enlisted to serve on the President's Task Teams. Their involvement brought forward fresh ideas and trusted experience to inform our work. Task Team members are exceptional “ambassadors” for Saskatchewan. Their strengths and expertise are valuable commodities. I am grateful for their generous contributions to our organization and to ambitious goals that will advance tourism.

Members of Tourism Saskatchewan's Board of Directors are to be commended for their support of the planning, work, and activities of our offices in Regina and Saskatoon, and for their steadfast dedication to developing an industry and province that offers unforgettable and positive experiences to travellers.

Tourism Saskatchewan values its partnership with the Government of Saskatchewan. The Honourable Dustin Duncan has clearly demonstrated a commitment to and interest in "all things tourism." We are grateful for the recognition of the importance of our sector and for investments in various initiatives.

To every single person, organization, business, and entity that makes our province shine, I say, "thank you."



Lynda Haverstock, C.M., S.O.M., Ph.D., LL.D.  
President/CEO



# Tourism Saskatchewan

Tourism Saskatchewan is a board-driven, membership-based, industry/government partnership, which was the first of such models in Canada. A strength of the organization is its membership, numbering over 2,000.

Working with industry members, government partners, and a number of stakeholders, Tourism Saskatchewan leads a variety of initiatives across a broad range of areas – marketing, education and training, visitor services, industry development, research, member services, and more – to support growth and economic development. Tourism Saskatchewan strives to be innovative, efficient, and effective in its delivery of core support to the industry, and in facilitating economic growth and social development to benefit our province and citizens.

Tourism Saskatchewan's legislated mandate sets the broad responsibilities for the organization. Ends Policies provide focus for the operational activities and organizational objectives. The Board of Directors worked to revise the Vision Statement and the Ends Policies during the 2007-2008 fiscal year and changes were passed by the Board in September 2008. In 2008-2009, the Board of Directors further revised the Ends Policies to provide clear guidance to the organization in four key areas. During this fiscal year, Tourism Saskatchewan also revised its corporate values. These revisions are as follows:

## **Vision**

Tourism Saskatchewan is the driving force in the development and marketing of a world-class destination.

## **Previous Ends Policies:**

1. Promote Saskatchewan;
2. Build Capacity;
3. Advocate on Behalf of Saskatchewan's Tourism Industry;
4. Promote Sustainable Development; and,
5. Provide Corporate Leadership.

## **Revised Ends Policies:**

1. Promote Saskatchewan;
2. Develop Capacity;
3. Advocate on Behalf of Saskatchewan's Tourism Industry; and,
4. Lead through Corporate Stewardship.

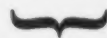
## **Corporate Values**

- Integrity – Commitment with Integrity
- Excellence – Leadership through Excellence
- Respect – Teamwork built on Respect
- Innovation – Continuous Improvement supporting Innovation



# Organizational Structure

Membership  
Over 2,000



Board of Directors



Executive Office

Responsible for all operational activities, manages corporate/community/government relations, executive communications, human resources, policy development, and special projects, and lobbies on behalf of the industry. President/CEO works with the Board of Directors to ensure governance model is properly executed. Executive Office provides administrative support to the Board of Directors and oversees the organization and activities of the President's Task Teams.



## Finance and Administration

Responsible for financial management and reporting, and facilities and materials administration. The department supports the corporate accountability of Tourism Saskatchewan's operations and ensures financial and administrative systems are in place to manage efficient, cost-effective performance.

## Marketing

Responsible for promoting awareness of the province's tourism opportunities. Functions managed by the department include: advertising, promotion, media publicity, research, front-line visitor services, online marketing, and information technology.

## Industry Development

Responsible for providing planning assistance and direction to communities, tourism regions, destination areas, individual businesses, and groups throughout the province to enhance tourism experiences, with the goal of increasing per-person visitor expenditures.

## Industry Relations

Responsible for expanding communication with the industry and on behalf of the industry. Responsibilities include: event management, membership, advertising sales, acquisition of promotional merchandise, corporate communications, Industry Matters website, image library, and production of travel literature.

## Saskatchewan Tourism Education Council (STEC)

Responsible for the provision of education and training to support Saskatchewan's tourism sector. Its mandate addresses human resource management, employee recruitment and retention, post-secondary and technical training, awareness of tourism as a viable career choice, and the development of a professional and more representative tourism workforce.

# Promote

One of Tourism Saskatchewan's Ends Policies states that the organization will promote Saskatchewan by articulating Saskatchewan's unique tourism experiences in a manner that promotes a positive image to potential visitors and citizens alike. In 2008-2009, Tourism Saskatchewan embarked on a number of initiatives to achieve this goal.

## Shows and Marketplaces

Tourism Saskatchewan attends marketplace events on behalf of the industry and in partnership with the industry. During the fiscal year, the Marketing department attended 21 consumer shows across Canada and North America. Contacts were made with more than 12,000 individuals. Eighteen industry members partnered with Tourism Saskatchewan at these events. Participation in nine travel trade marketplaces and events in North America resulted in approximately 300 industry contacts. Four industry partners joined Tourism Saskatchewan at *Rendez-vous Canada 2009*.

As part of Tourism Saskatchewan's strategy to focus on the Alberta market, it increased its presence by attending nine shows in that province, an increase of five shows over last year. As part of the strategy, Tourism Saskatchewan worked closely with specific Alberta tour operators, attended agent events, and included Alberta travel trade representatives on familiarization (FAM) tours in Saskatchewan.

For the first time, Tourism Saskatchewan attended agent events in Colorado (Denver and Boulder), making 96 contacts and promoting the new direct air link from Denver to Saskatoon.

## Advertising

While the use of the internet continues to grow as a primary vacation planning tool, traditional print and electronic-based advertising remain an important medium to generate awareness of Saskatchewan as a vacation destination of choice.

In the United States, advertising initiatives promoted Saskatchewan's world-class fishing and hunting products. Messages in select fishing and hunting magazines and their respective websites, along with direct mail promotions reached out to sports enthusiasts in the United States.

Within Canada, Alberta continued to be the number one focus of advertising efforts. For the first time, television was used as a medium in that province. Supporting the television campaign were three broadly distributed newspaper inserts and a six-page magazine advertorial in the April edition of *Westworld*, Alberta. Magazine ads in *The Alberta Golfer* and *Inside Golf* were used to spread the word about Saskatchewan's great golf product.

A guerilla marketing initiative was tested in Calgary to explore alternative ways to reach out to this market. Held on busy Stephen Avenue Walk, the event featured a parade of people being led to Saskatchewan. The initiative was timed to coincide with the gathering of travel trade from around the world at *Rendez-vous Canada 2009*.

Pre- and post-awareness surveys in Alberta measured the effectiveness of this year's initiatives in Alberta. These surveys show that 55 percent of urban Alberta residents recalled reading, hearing, or seeing advertising about tourism in Saskatchewan this past spring.

## Media Assistance Program

In 2008-2009, the media assistance program financially assisted a total of 75 individuals/groups, directly resulting in \$1.8 million in exposure through print and television in Canada, United States, and Germany. A further \$3 million in non-influenced exposure was recognized in Canadian and U.S. markets through our subscribed media monitoring service.

Numerous projects were undertaken and completed in 2008-2009, resulting in the capture of new high-definition (HD) footage, social media content, and still photography. For the first time, a web videographer was contracted.

## Online Marketing

Online marketing initiatives included the launch in January 2009 of Tourism Saskatchewan's first product-specific website, [www.fishing-in-saskatchewan.com](http://www.fishing-in-saskatchewan.com). There was a total of 811,183 visits to our consumer websites, an increase of 37% over the previous year, and 444,873 clicks-through to tourism operators, which also represents a 37% increase.

Beginning mid-year, the establishment of a social media program resulted in Tourism Saskatchewan's presence on *Facebook*, *Twitter*, *YouTube*, *Digg* and *Picasa*. As of year-end, Tourism Saskatchewan boasts:

- 2,175 *Facebook* fans
- Over 550 *Twitter* followers
- 20,750 views of 10 videos posted to *YouTube*
- Successful execution of three contests resulting in engagement with fans and followers that exceeded expectations

Other highlights include: execution of the *Explore Saskatchewan* contest, in conjunction with the Tourism Regions, resulting in 49,612 entries and the awarding of five vacation packages; launch of [www.vacationintervention.com](http://www.vacationintervention.com), a fun and informative website to help promote awareness of Saskatchewan as a vacation destination; publication of 12 issues of *SaskSecrets*, Tourism Saskatchewan's monthly online newsletter delivered to more than 30,000 subscribers; online versions of five travel guides (visited 18,368 times); engagement with Saskatchewan provincial and regional parks in preparation for the 2009 launch of a dedicated parks/camping website; and online advertising with *Google*, *CanWest* newspapers, *Yahoo*, *The Weather Network*, *Trip Advisor*, *MySask*, and *MSN*.

#### Travel Literature Review

A comprehensive review of Tourism Saskatchewan's travel literature was completed. Research results were presented to staff in early 2009, along with recommendations for changes to the existing guides. The review was successful in identifying ways to ensure our travel literature remains relevant, easy to use, and appeals to our target markets. Several recommendations were implemented in 2009, with more changes to take place in 2010, and in future years.

#### Photography and Imagery

Two photo shoots resulted in a significant number of new images being added to the Tourism Saskatchewan image library. As well, in partnership with the Ministry of Tourism, Parks, Culture, and Sport, a photographer was hired to capture images from 11 provincial parks. Building the image library is vital to ensuring that updated, fresh, and vibrant images are available to fulfill image requests and enhance our travel literature.

#### Career Fairs/Presentations

In 2008-2009, the Saskatchewan Tourism Education Council (STEC) participated in 14 career fairs, including the National Job Fair and Training Expo in Toronto in the fall and spring. A total of 39 classroom presentations were delivered to potential frontline employees in high schools across the province. Support continues for schools that deliver the Canadian Academy of Travel and Tourism (CATT) program.



#### Public Appearances

Through more than 70 public addresses and messages, delivered throughout the province and beyond our borders, President/CEO Dr. Lynda Haverstock clearly communicated knowledge of Saskatchewan's bounty of tourism resources and the significant contributions that tourism makes to the province's economy and quality of life.

#### President/CEO Participation on Boards/Committees

Dr. Haverstock's participation on a number of boards and committees has resulted in increased profile of Tourism Saskatchewan and the industry. Her commitments range from hosting the President's Task Teams to volunteer positions with groups such as the Tourism Alliance of Western Canada to acting as an advisor to the President of the Saskatchewan Indian Institute of Technologies (SIIT), and supporting numerous charitable causes.

# Develop

One of Tourism Saskatchewan's Ends Policies states that the organization will develop the capacity of Saskatchewan's tourism industry by providing leadership and programs that enhance the tourism industry's capacity to deliver superb visitor experiences with a commitment to sustainable development. In 2008-2009, Tourism Saskatchewan participated in a number of initiatives to achieve this goal.

## **Destination Area Planning**

The Lake Diefenbaker plan, finalized in 2008, has now entered the second year of its implementation. Progress has been made on a number of recommendations contained in the plan. For example, the recently announced upgrading of Highway 219, as well as its renaming as the Chief Whitecap Trail, will greatly increase awareness of the route and tourists' access to Lake Diefenbaker.

The Cypress Hills Destination Area Plan is nearing completion. It is the result of the hard work of a coalition of representatives from major tourism attractions and communities in the region, with the support of Tourism Saskatchewan.

The Prince Albert National Park Destination Area Plan focuses on the creation of a destination marketing organization, as well as better coordination of the area's many tourism experiences. Tourism Saskatchewan, Prince Albert National Park, the Waskesiu Chamber of Commerce, and numerous operators have come together to lead this initiative to its successful completion.

The Trails of 1885 initiative has been very successful in its coordination and promotion of tourism attractions and events related to the 1885 Resistance. As the 125th anniversary of the pivotal events of 1885 approaches, this initiative has engaged tourism stakeholders across Saskatchewan, as well as Alberta and Manitoba, in producing cooperative marketing materials, a website, travel itineraries, and considerable media interest. Tourism Saskatchewan, the Ministry of Tourism, Parks, Culture, and Sport (TPCS), and Western Economic Diversification have jointly funded the project.

## **Saskatchewan Tourism Labour Market Partnership (STLMP)**

Tourism Saskatchewan formed the Saskatchewan Tourism Labour Market Partnership (STLMP) in 2003 to identify, plan, and coordinate strategic industry-driven initiatives

that contribute to a vibrant and robust tourism workforce. The STLMP is responsible for overseeing the implementation of a 2007 tourism human resources strategy, *Charting Our Future With the Best People*. The Saskatchewan Tourism Education Council (STEC) was identified as the lead in coordinating the initiatives necessary to meet the objectives of the strategy.

In 2008-2009, the following objectives were met:

- Pursuit of best practices in human resource management by increasing participation in occupation-specific and general tourism education and training services across the province. An *Employer of Choice* program was developed and validated, as were the tools and resources to support its implementation and assessment. By the end of the fiscal year, 29 tourism businesses were engaged.
- Completion of successful meetings with high-level officials from key stakeholder institutions toward the coordination and development of a Tourism Learning System.
- Participation in the Canadian Tourism Human Resource Council (CTHRC)'s national compensation survey increased by 38 percent from 120 to 166.
- Increased participation in occupation-specific and general tourism education and training programs and services across the province. STEC exceeded its target by nearly 150 percent by providing training services and skill development products to 4,493 participants (target 3,000) in over 101 communities. This is an increase from 3,381 in the previous fiscal year.
- Increased registration in Professional Certification. STEC exceeded its target by 86 percent by registering 557 individuals (target 300) in certification. A total of 94 completed and obtained nationally recognized certification in their occupation.
- Development and implementation of *Create Curiosity – Sell Saskatchewan*, a province-wide workshop designed to generate an appreciation of all that Saskatchewan communities have to offer. More than 200 people in 18 communities across the province participated.

## **Ready To Work – Tourism Careers (RTW)**

Delivered by STEC, Ready to Work – Tourism Careers (RTW) is a national skills development program that assists the unemployed and underemployed in transitioning into the tourism workforce. In 2008-2009, a total of 326 individuals participated in the program, with 75 percent having obtained employment to date.

#### *emerit* Standards and Certification

STEC successfully promoted business sustainability by ensuring that Saskatchewan's tourism sector achieved 100 percent participation in revising and developing 13 of the CTHRC's *emerit* occupational standards and certification.

#### Aboriginal Tourism Association of Saskatchewan, Inc. (ATASI)

ATASI promotes the growth of First Nations and Métis tourism in Saskatchewan through planning and marketing assistance, as well as through the growth of sustainable partnerships. Tourism Saskatchewan provides support to a number of ATASI activities. For example, the 2008-2009 fiscal year saw both organizations partner with Kawacatoose First Nation to develop the first community tourism plan on a Saskatchewan First Nation. This led to an expanded partnership agreement with other communities and First Nations in the Touchwood Hills area. This partnership will lead to further tourism planning, development, and growth in the area.

#### *Events Saskatchewan*

*Events Saskatchewan* is a partnership between Tourism Saskatchewan, SaskSport, SaskCulture, and the Saskatchewan Parks and Recreation Association. The partnership has opportunities to leverage the strength of its individual member organizations in the planning, organizing, and marketing of events. A new event website has been developed that provides a place for centralized information about events taking place in the province.

#### Industry Training

The 2008-2009 fiscal year saw the second delivery of the highly successful *Travel Trade Development Strategy (TDSI)* program for Tourism Saskatchewan members. In addition to trade readiness training, the program also featured a mentorship program. The 10 mentors and 18 trainees who took part in the program rated its effectiveness very highly. In two years, a total of 51 operators have taken part in the program, either as mentors, or as trainees.

Seven website development workshops were delivered in 2008-2009. Eighty-four industry members took part in the training. The content and delivery of the training proved very popular with participants and will lead to a stronger internet presence for Saskatchewan's tourism industry.

Seven photography workshops were held throughout the province. The operators were taught how to "capture the experience" to effectively represent their business and attract new customers. Eighty-six operators participated in the training.



#### Going Places

Tourism Saskatchewan's industry newsletter, *Going Places*, was produced quarterly and distributed to members. The publication is an educational and informational tool for the industry.

#### Industry Matters/Industry Updates

The Industry Matters website ([www.industrymatters.com](http://www.industrymatters.com)), newly re-designed in 2008-2009, contains timely and relevant information for tourism businesses in Saskatchewan. In tandem with the site are Industry Update emails, which are sent to members on a bi-monthly basis. These e-newsletters include the most recent industry-related news and important member advisories. In this fiscal year, 20 Industry Updates were emailed to members, and 169 Industry Matters website content updates were completed.

# Lead

One of Tourism Saskatchewan's Ends Policies states that the organization will lead through corporate stewardship by maintaining internal and external support structures that ensure financial stewardship, a healthy corporate environment, and positive relationships. In 2008-2009, Tourism Saskatchewan embarked on a number of initiatives to achieve this goal.

## **Three-Year Business Plan 2009-2012**

During the 2008-2009 fiscal year, Tourism Saskatchewan participated in the strategic planning process and developed an insightful plan for managing business operations and addressing marketing and development responsibilities for the next three years. Through this process, the organization determined goals and objectives that are realistic given the current operating environment. At the same time, it took into account the significant potential that exists for tourism growth in Saskatchewan. The Three-Year Business Plan 2009-2012 provides a solid framework for future planning and action.

## *Employer of Choice*

Tourism Saskatchewan strives to be a leader in human resource development and, in 2008-2009, initial steps were taken toward earning the *Employer of Choice* designation. The organization instituted a Wellness Plan to encourage physical well-being among employees. Ongoing professional development training sessions included Conflict Resolution, Grammar and Punctuation Instruction, and Microsoft Office 2007.

## **Employee Recruitment**

Capitalizing on new organizational funding, a new position was created within the Industry Relations department for a Production Manager. This new role is responsible for overseeing the production of travel literature (including the new *Saskatchewan Discovery Guide*), staff supervision, and the Industry Matters website.

Industry Relations continued to share a Graphic Designer with the Ministry of Tourism, Parks, Culture and Sport to encourage shared marketing ideas and messaging.

A permanent Web Marketing Consultant position in the Online and Information Technologies section of the Marketing department was created, bringing the total number of dedicated staff to two.

Given current challenges and trends concerning employee recruitment, Tourism Saskatchewan utilized online social networking, via Facebook, to attract interest from job-seekers and present Tourism Saskatchewan as a desirable employer.

## **Employee Survey**

An annual Employee Survey was implemented to allow for up-to-date measurement of employee satisfaction and engagement.

## **Joint Job Evaluation**

Work continued on a Joint Job Evaluation process to set a new classification plan for employees. Union/management relations continue to be enhanced through an Interest-Based Approach to problem solving and monthly Union/Management meetings.

## **Membership Fee Review**

A review of Membership Fees took place over the course of this year. After careful research and analysis of several options and models, the Membership Advisory Council presented a revised membership fee structure to each of the regional Board of Directors for consideration. The outcome was that all of the Regional Boards approved the recommendations. Tourism Saskatchewan's Board of Directors accepted the change.



to the integrated Destination Marketing Organization membership fees, which provided an equitable division of \$15 being received by both organizations.

#### Fostering Partnerships

Throughout 2008-2009, Tourism Saskatchewan's Executive Office facilitated and participated in more than 70 meetings with government partners, key stakeholders, and industry representatives. Outreach to the five rural Tourism Regions and two City Marketing Organizations involved candid meetings with board chairs, executives, and staff to discuss mutual interests and potential collaboration. Opportunities for board development resonated among the discussions, resulting in a day-long workshop that benefited participating members from Tourism Saskatchewan's Board of Directors and those of the Tourism Regions and City Marketing Organizations.

#### Community Outreach

Community outreach was demonstrated through sponsorship activities and support of more than 138 events, workshop, fundraising events, and initiatives undertaken by cultural and sports organizations, and numerous worthwhile causes that play a role in making our province an inviting destination and remarkable place to live and visit.

#### Regional Marketing Program

Saskatchewan's Tourism Regions were established with the objective of supporting localized participation in the tourism industry, through related marketing support and membership development. Tourism Saskatchewan provides financial support on an annual basis through the Regional Funding Program.

The purpose of the program is to:

- Support the overall development of the tourism industry by providing funding assistance through the Core Operating Fund for administrative support contained within the five rural Tourism Regions.

(\$109,700 per Tourism Region and \$161,300 for the Northern Region)

**TOTAL Core Operating Fund = \$600,100/year**

- Provide marketing assistance through the Core Marketing Fund to the rural Tourism Regions and City Marketing Organizations that offer a number of advertising and partnership opportunities to promote their membership. These are outlined within the



Business and Marketing Plans of the Tourism Regions and City Marketing Organizations and are communicated throughout the year.  
(\$150,000 per City Marketing Organization and \$70,000 per Tourism Region)

**TOTAL Core Marketing Fund = \$650,000/year**

- Provide an opportunity for the five rural Tourism Regions and two City Marketing Organizations to apply for Incremental Marketing Funds for marketing initiatives beyond Core Marketing funds. The fund is to encourage inter-regional marketing initiatives and must include at least two Tourism Regions or City Marketing Organizations.

**TOTAL Incremental Marketing Fund = \$200,000/year**

**TOTAL Regional Funding = \$1,450,100/year**

# Advocate

One of Tourism Saskatchewan's Ends Policies states that the organization will advocate on behalf of the tourism industry by championing the concerns of its stakeholders in a manner that builds credibility and delivers results. In 2008-2009, Tourism Saskatchewan embarked on a number of initiatives to achieve this goal.

## **Visitor Reception Centre Review**

In October 2009, Tourism Saskatchewan delivered a comprehensive review of its five Visitor Reception Centres (VRCs), located at major gateways into the province, to the Government of Saskatchewan. The VRC Review was created in response to key concerns expressed by delegates of the first Saskatchewan Summit on Tourism, held in 2007. The document provides recommendations on improvements needed to reverse negative perceptions of our province, improve services to travellers, and increase tourism spending.

Current statistics reinforce the importance of the VRCs. Visitation during the 2009 season of operation was the highest in three years and rose 19.7 percent above the 2008 total. Over 65,000 people utilized the VRCs from mid-May until Labour Day.

## **Tourism Industry Association of Canada (TIAC)**

### **Advocacy Day on Parliament Hill**

Dr. Lynda Haverstock, President/CEO, along with colleagues representing tourism authorities across Canada, participated in the Tourism Industry Association of Canada (TIAC) Advocacy Day on Parliament Hill. Through this concerted effort, government leaders were presented with information and positions regarding air access, ticket fees, levees, and a number of barriers concerning airline and travel services.

## **Rural Highway Advisory Committee**

Through its work on the Ministry of Highways and Infrastructure's Rural Highway Advisory Committee, Tourism Saskatchewan participates in the evaluation and

ranking of highway construction priorities. This has led to the engagement of numerous tourism stakeholders in the process, as well as the prioritization of highway projects that will benefit Saskatchewan's tourism industry.

## **Highway Signage**

Tourism Saskatchewan works closely with the Ministry of Highways and Infrastructure and the Ministry of Tourism, Parks, Culture and Sport on several issues relating to highway signage. In December of 2008, the three organizations hosted a two-day workshop with tourism stakeholders to identify and address priority issues related to signage. These outcomes have become the priorities of each of the three partners, leading to considerable work on policies related to signage eligibility, pricing, and programs.

## **Saskatchewan Immigrant Nominee Program**

The Saskatchewan Tourism Education Council (STEC) worked with the Saskatchewan Hotel and Hospitality Association and the Canadian Restaurant and Food Services Association to improve the Saskatchewan Immigrant Nominee Program (SINP). By bringing attention to the acute labour shortage in three occupational groups in the hospitality industry, including food counter attendants, food and beverage servers, and light-duty cleaners, STEC and partners encouraged the Ministry of Advanced Education, Employment and Labour to expand the SINP to include these occupations. A pilot project will allow temporary foreign workers who have been employed for a minimum of six months by an approved employer in Saskatchewan to apply for nomination through the SINP.

## ***HOST Saskatchewan – Hospitality, Outfitters, & Tourism Conference & Trade Show***

The second annual *HOST Saskatchewan – Hospitality, Outfitters, & Tourism Conference & Trade Show* – was held in March in Regina. Almost 400 delegates assembled for

three days of workshops, networking opportunities, industry celebrations, and trade show exhibits. The conference was again a partnership between Tourism Saskatchewan, the Saskatchewan Hotels and Hospitality Association, and the Saskatchewan Outfitters Association.

The conference featured 15 industry workshops, two individual gala celebrations, and the largest tourism trade show in the province. A keynote address was delivered by Peter Yesawich, chairman of *Ypartnership*, America's leading marketing, advertising, and public relations agency serving travel, leisure, and lifestyle marketing. Workshop presenters shared their expertise on a range of topics, providing delegates with valuable knowledge to enhance their businesses.

#### Tourism Awareness Week

Each year, Tourism Saskatchewan joins other provinces for National Tourism Awareness Week, which occurs the beginning of June. Throughout the week, provincial media helped promote awareness of the importance of the industry and its contribution to the provincial economy. It was launched with a successful media conference at the RCMP Heritage Centre in Regina. The event featured speeches from Dr. Lynda Haverstock and The Honourable Dustin Duncan, Minister of Tourism, Parks, Culture and Sport.

Additional activities were organized throughout the province by each of the Tourism Regions. A partnership with the Tourism Regions on the *Explore Saskatchewan* contest and newspaper insert also took place, resulting in a province-wide distribution of this publication. Additionally, Tourism Saskatchewan's annual *Snap it! The Great Saskatchewan Photo Contest* encouraged visitors to send in their best Saskatchewan photos.

#### Professional Recognition Dinners

In June, Professional Recognition Dinners were held in Saskatoon and Regina in honour of those being certified in tourism professions. These dinners also recognized Saskatchewan businesses that had demonstrated best-practices and a commitment to employee training and development.



#### GolfFORE Hospitality

In September, the Saskatchewan Hotel and Hospitality Association (SHHA) and Tourism Saskatchewan partnered for the inaugural *GolfFORE Hospitality* Tournament at Dakota Dunes Golf Links. The tournament attracted 126 industry delegates from all parts of the province, with proceeds going to the *Hospitality Scholarship Program*.

*GolfFORE Hospitality* was a premiere event for the tourism industry, giving hoteliers, restaurateurs, entrepreneurs, and stakeholders an opportunity to network with colleagues, enjoy superb entertainment, and unwind at one of the province's most impressive golf facilities. Along with having fun, participants were pleased to know that their support will assist students enrolled in a hospitality program and contribute to the next generation of tourism professionals.

# President's Task Teams

During Saskatchewan's first Summit on Tourism, held in September 2007, delegates identified a number of barriers to overcome in order to advance the tourism sector from *Good to GREAT*. Considering the recommendations put forth in the official Summit Report, Tourism Saskatchewan assembled President's Task Teams to address a number of key concerns.

A successful model for the Task Teams was already in place with the Tourism Labour Market Partnership. This committee was comprised of volunteer industry leaders who dedicated time and expertise to ensuring a robust, highly trained tourism workforce in our province.

Four new Task Teams were created to examine issues of quality assurance, provincial image, product development and infrastructure, and resources and funding. A fifth, the Cultural Tourism Task Team, reignited a previous committee that explored cultural activities and the links to tourism.

Over 50 business/industry leaders and influential "ambassadors" of our province were recruited to share their knowledge and expertise, and provide guidance on specific challenges.

Round one of the meetings took place in the spring of 2008. With Terms of Reference in place, Task Team members embraced their roles with enthusiasm.

The value of the President's Task Team initiative is revealing valuable outcomes. Goals and activities are clearly aligned with our Ends Policies and the four guiding actions – Promote, Develop, Advocate, and

Lead. Findings and recommendations from the first Task Team meetings assisted Management in developing a Three-Year Business Plan for the organization and strategies that will yield dividends for our members, partners, and industry stakeholders.

## **President's Cultural Tourism Task Team**

Recognizing that the heart and soul of a place is defined by its arts, culture, and heritage, this Task Team will capture the essence of the province's cultural character for tourism development and marketing. It will identify opportunities for collaborative work and provide strategic recommendations for future tourism initiatives.

## **President's Labour Market Partnership Task Team**

Saskatchewan's tourism industry will be leaders in progressive human resource practices supporting the development and sustainability of successful, quality, service-driven businesses.

## **President's Quality Assurance Task Team**

There is only one chance to make a good first impression. The success of Saskatchewan's tourism industry is contingent upon meeting or exceeding visitor expectations. This Task Team will provide Tourism Saskatchewan with insights and strategic advice to inform the creation of a comprehensive, effective, and achievable Quality Assurance Program.

## **President's Product Development and Infrastructure Task Team**

Tourism Saskatchewan is committed to being the driving force in the development of the province as a competitive, investment-ready, and marketable

destination. We endeavour to achieve this by providing leadership, facilitation, and coordination in a number of key areas, including product development, infrastructure, policy, and overcoming barriers to development. This Task Team will provide strategic direction that will allow Tourism Saskatchewan to facilitate the creation of an environment that supports the development of world-class product and infrastructure.

## **President's Resource and Funding Task Team**

Tourism is the world's number one industry, and one of Saskatchewan's most important economic drivers. Our tourism sector is facing increasing competition. Chronic underfunding has undermined Tourism Saskatchewan's ability to enable our tourism sector to capitalize on opportunities and compete effectively. This Task Team will assist Tourism Saskatchewan in exploring method(s) to increase existing, and secure additional, steady, and reliable sources of funding for marketing, development, training, and communications.

## **President's Provincial Image Task Team**

Recognizing that Saskatchewan is at a pivotal point in its history, there is an opportunity to capitalize on the sense of optimism about and within the province. This Task Team will provide strategic advice to Tourism Saskatchewan in its efforts to take advantage of these new realities and project an image of Saskatchewan as a world-class tourism destination.



# Financial Statements

Tourism Authority operating as

TOURISM SASKATCHEWAN

Financial Statements

September 30, 2009



To the Members of Tourism Saskatchewan:

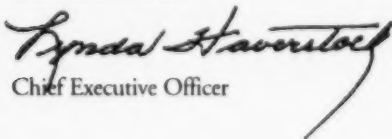
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the Annual Report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed entirely of Directors who are neither management nor employees of the Authority. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for recommending approval to the Members of the financial information included in the Annual Report. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Committee is also responsible for recommending the appointment of the Authority's external auditors.

Meyers Norris Penny LLP, an independent firm of Chartered Accountants, is appointed by the Members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

October 21, 2009

  
Chief Executive Officer



# Auditors' Report



MEYERS NORRIS PENNY LLP

To the Members of Tourism Authority o/a Tourism Saskatchewan:

We have audited the statement of financial position of Tourism Saskatchewan as at September 30, 2009 and the statements of operations and supporting schedules, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at September 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan

October 21, 2009

*Margaret A. Penny*

Chartered Accountants

# Tourism Saskatchewan

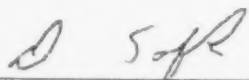
Statement of Financial Position • September 30, 2009

	2009	2008
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 6)	\$1,846,020	\$1,771,339
Accounts receivable	785,966	799,980
GST receivable (Note 4)	89,768	48,925
Inventory	18,544	26,455
Prepaid expenses	61,973	69,278
	2,802,271	2,715,977
<b>LONG TERM</b>		
Capital assets (Note 5)	1,434,570	964,975
	\$4,236,841	\$3,680,952
<b>LIABILITIES and NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$1,066,552	\$1,049,697
Unearned revenue	67,889	198,060
Current portion of deferred contributions related to capital assets (Note 7)	143,333	43,000
Deferred grant contribution (Note 7)	288,125	288,125
	2,365,899	1,578,882
<b>LONG TERM</b>		
Deferred contribution related to capital assets (Note 7)	143,334	387,000
	2,509,233	1,965,882
<b>NET ASSETS</b>		
Invested in capital assets	1,147,903	534,975
Internal restrictions: (Note 8)		
Partnership Marketing Fund	156,106	160,265
President's Marketing Advisory Fund	124,817	160,909
STEC Fund	400,000	400,000
Initiatives Fund	44,469	178,826
Unrestricted	(145,687)	280,095
	1,727,608	1,715,070
	\$4,236,841	\$3,680,952

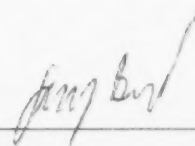
See accompanying notes to financial statements.

APPROVED BY THE BOARD:

Director



Director



# Tourism Saskatchewan

Statement of Operations • Year Ended September 30, 2009

	2009	2008
<b>REVENUE</b>		
Provincial Operating Grant	\$11,516,000	\$9,337,543
Other grants and contributions	372,202	702,834
Education and training	2,902,304	1,760,858
Partnership	195,935	111,932
Advertising	239,452	259,354
Retail sales	162,207	81,805
Listings	129,787	132,167
Membership	57,788	57,858
Interest and other	36,820	60,967
	<b>15,612,495</b>	<b>12,505,318</b>
<b>EXPENSES</b>		
Administration (Schedule 1)	2,187,978	1,972,325
Education and training (Schedule 2)	3,167,360	2,167,125
Marketing and advertising (Schedule 3)	8,210,231	5,886,385
Membership and visitor services (Schedule 4)	1,662,005	1,726,133
Cost of retail sales	45,329	37,119
Board and committees	45,991	56,667
Initiatives fund (Schedule 3)	134,357	167,526
President's marketing advisory (Schedule 3)	143,155	7,934
Partnership marketing (Schedule 3)	3,551	24,380
STEC fund	-	44,660
	<b>19,599,957</b>	<b>12,090,254</b>
<b>EXCESS OF REVENUE</b>	<b>\$12,538</b>	<b>\$415,064</b>

See accompanying notes to financial statements.

# Tourism Saskatchewan

Statement of Changes in Net Assets • Year Ended September 30, 2009

	Invested in Capital Assets	Internally Restricted for Partnership Marketing	Internally Restricted for President's Marketing	Internally Restricted for STEC	Internally Restricted for Initiatives	Unrestricted Operations	Total 2009	Total 2008
<b>BALANCE, BEGINNING OF YEAR</b>	<b>\$534,975</b>	<b>\$160,265</b>	<b>\$160,909</b>	<b>\$400,000</b>	<b>\$178,826</b>	<b>\$280,095</b>	<b>\$1,715,070</b>	<b>\$1,300,006</b>
Excess of revenue (expenses)	(257,134) <sup>(1)</sup>	(3,551)	(143,155)	-	(134,357)	550,735	12,538	415,064
Invested in capital assets	870,062	-	-	-	-	(870,062)	-	-
Interfund transfers (Note 8)	-	(107,063)	107,063	-	-	-	-	-
Internally imposed restrictions (Note 8)	-	106,455	-	-	-	(106,455)	-	-
<b>NET ASSETS, ENDING</b>	<b>\$1,147,903</b>	<b>\$156,106</b>	<b>\$124,817</b>	<b>\$400,000</b>	<b>\$44,469</b>	<b>\$145,687</b>	<b>\$1,727,608</b>	<b>\$1,715,070</b>

See accompanying notes to financial statements.

<sup>(1)</sup> Consists of:

Amortization expense	\$400,467
Amortization of deferred contributions related to capital assets (Note 8)	(143,333)
Decrease in net assets invested in capital assets	\$257,134

# Tourism Saskatchewan

Statement of Cash Flows • Year Ended September 30, 2009

	2009	2008
<b>OPERATING ACTIVITIES</b>		
Excess of revenue	\$12,538	\$415,064
Add (deduct) items not requiring cash:		
Amortization of capital assets	400,467	299,088
Video write off	-	317,255
Amortization of deferred contributions related to capital assets (Note 7)	(143,333)	(70,000)
	<b>269,672</b>	<b>961,407</b>
Net change in non-cash working capital working items (Note 10)	675,071	149,278
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>944,743</b>	<b>1,110,685</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(870,062)	(790,566)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(870,062)</b>	<b>(790,566)</b>
<b>NET INCREASE IN CASH</b>	<b>74,681</b>	<b>320,119</b>
Cash, beginning of year	1,771,339	1,451,220
<b>CASH, END OF YEAR</b>	<b>\$1,846,020</b>	<b>\$1,771,339</b>

See accompanying notes to financial statements.

# Tourism Saskatchewan

Notes to the Financial Statements • September 30, 2009

## 1. DESCRIPTION OF BUSINESS

The Tourism Authority (the "Authority"), operating as Tourism Saskatchewan, was incorporated as a non-profit organization under the Tourism Authority Act and commenced operations on October 1, 1994. The Authority was formed to promote and develop tourism in Saskatchewan on behalf of the tourism industry and the Government of Saskatchewan. Certain assets were transferred to the Authority from the Government of Saskatchewan, Department of Economic Development and Saskatchewan Property Management Corporation (SPMC).

## 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles:

### *a) Revenue Recognition*

The Authority follows the deferral method of accounting for grant and education and training contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated, collection is reasonably assured, and the expenses relating to the contribution are incurred.

Revenue received by the Authority in advance of the actual performance of services is deferred and is recorded as unearned revenue.

Partnership, Advertising, Listing, and Membership revenue is recognized as earned. Funds received for services that relate to the future are deferred and recognized as revenue when earned.

Interest is recognized as earned.

Retail sales are recognized as revenue on the date of sale.

### *b) Cash*

Cash is comprised of monies on deposit and is recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties.

### *c) Inventory*

Inventory is valued at the lower of cost and net realizable value.

### *d) Capital Assets*

Capital assets are recorded at cost and are amortized over their estimated useful lives. Amortization expense is calculated using the straight-line method at the following annual rates:

Photo library	10% to 20%
Furniture and equipment	10% to 20%
Computer equipment	33%
Leasehold improvements	10% to 20%
Signs and displays	20%
Video and video footage	33%

### *e) Income Taxes*

The Authority is incorporated as a non-profit organization and is exempt from income taxes.

### *f) Use of Estimates*

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from



the current estimates. Accounts receivable are stated after evaluation as to the collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of the asset. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

#### **g) Financial Instruments**

The Authority has classified cash, accounts receivable, and accounts payable and accrued liabilities as financial instruments held for trading. Held for trading financial assets and liabilities are financial instruments that are acquired or incurred principally for the purpose of selling or repurchasing the instrument in the near term. These instruments are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Held for trading financial instruments are carried at fair value with both realized and unrealized gains and losses included in net income. Initial cost approximates fair value due to the short-term nature of the instruments.

Transactions to purchase or sell these items are recorded on the trade date. Transaction costs related to held for trading financial instruments are expensed as incurred.

The Authority assesses impairment of all its financial assets. Impairment is measured as the difference between the asset's carrying value and its fair value. Any impairment, which is not considered temporary, is included in current year earnings.

### **3. FINANCIAL INSTRUMENTS**

As part of its operations, Tourism Saskatchewan carries a number of financial instruments which, by their nature, are subject to risks.

#### **a) Credit Risk**

The Authority is exposed to credit risk in respect to accounts receivable in the event that the customer cannot meet its obligations. It is Management's opinion that the Authority is exposed to minimal risk because 95% of the accounts receivable balance is due from Federal or Provincial government sources. Credit risk is managed with regular credit assessments and an allowance is maintained and reviewed for potentially uncollectible accounts.

#### **b) Fair Value**

The carrying value of cash, accounts receivable and accounts payable, and accrued liabilities approximates their fair value due to the short-term maturities of these items.

#### **c) Interest Rate Risk**

The Authority has cash balances and, therefore, is not exposed to significant interest rate risk.

### **4. GST RECEIVABLE**

The Authority claims goods and services input tax credits based upon its level of staff time devoted to generating GST taxable supplies. For the year ended September 30, 2009, the applicable rate was 70% overall. Purchases of goods for resale are eligible for 100% input tax credits.

GST receivable is net of any GST payable.

# Tourism Saskatchewan

Notes to the Financial Statements • September 30, 2009

## 5. CAPITAL ASSETS

	Accumulated		Net Book Value	
	Cost	Amortization	2009	2008
Photo library	\$785,627	\$604,329	<b>\$181,298</b>	\$228,167
Furniture and equipment	472,264	427,595	<b>44,669</b>	55,829
Computer equipment	740,195	543,817	<b>196,378</b>	59,350
Leasehold improvements	477,313	477,313	-	-
Signs and displays	139,204	123,323	<b>15,881</b>	11,803
Video and video footage	1,226,444	230,100	<b>996,344</b>	609,826
	<b>\$3,841,047</b>	<b>\$2,406,477</b>	<b>\$1,434,570</b>	\$964,975

Capital expenditures incurred during the year totaling \$535,444 (2008 - \$609,826) are related to the production of a second high definition video. These costs will not be amortized until the new video is in use.

## 6. CASH

The Authority has access to the following operating line of credit, repayable on demand with interest paid monthly at the TD Bank prime rate. As of September 30, 2009, the Authority has not drawn on the operating line.

Base operating limit      \$ 500,000

## 7. DEFERRED CONTRIBUTIONS

Deferred Contributions Related to Capital Assets

Deferred contributions related to capital assets represent contributions received for the purpose of purchasing capital assets. During the year, no contributions (2008 - \$430,000) related to the purchase of capital assets have been deferred. Contributions from previous years will be recognized as income on the same basis as the related capital assets are amortized. During the year, \$143,333 (2008 - nil) of these deferred contributions have been recognized as income.

## *Deferred Grant Contribution*

Deferred grant contribution represents the accelerated receipt of an operating grant payment from Industry and Resources. Pursuant to the \$7,040,000 annual funding agreement, the payment schedule was revised during the 1998/99 fiscal year. The transition to the revised payment schedule resulted in an accelerated payment of \$288,125 being received before the Authority's 1998/99 fiscal year end. This \$288,125 of the annual receipts will continue to be deferred to maintain a level of operating grant revenue consistent with the annual funding agreement.

## **8. INTERNALLY RESTRICTED NET ASSETS**

The Authority is funded by the Government of Saskatchewan through the Ministry of Tourism, Parks, Culture and Sport. As per the funding agreement, the maximum amount of funds that can be accumulated in net restricted assets excluding STEC is \$500,000 and the net restricted assets for STEC cannot exceed \$400,000. Any amount exceeding these thresholds, as reported in the audited financial statements, must be repaid to the Ministry within 90 days of the fiscal year end. The funding agreement also limits unrestricted net assets to a maximum of \$250,000 with any amounts exceeding this maximum paid back to the Ministry within the same time frame.

### *a) Partnership Marketing Fund*

The Authority has entered into contracts with the tourism regions and industry partners to provide funds for eligible marketing activities to be carried out subsequent to the year end. During the year, the Authority's board of directors internally restricted \$106,455 (\$170,515 in 2008) of unrestricted net assets, the maximum amount remaining to be paid out pursuant to these contracts and subject to the regions and partners incurring eligible marketing expenditures by November 30, 2009. These internally restricted amounts are not available for other purposes without approval of the board of directors.

Changes to the net assets restricted for the Partnership Marketing Fund are as follows:

	2009	2008
Beginning balance	\$160,265	\$42,500
Less expenditures incurred during the year on regional and industry partner marketing activities	(3,551)	(24,580)
Less funds transferred to President's Marketing Advisory Fund representing unspent marketing funds from previous year's marketing contracts	(107,063)	(28,370)
Add internally imposed restrictions during the year	106,455	170,515
<b>Ending balance</b>	<b>\$156,106</b>	<b>\$160,265</b>

# Tourism Saskatchewan

Notes to the Financial Statements • September 30, 2009

## *b) President's Marketing Advisory Fund*

During the year, the Authority's board of directors internally restricted \$107,063 (\$28,370 – 2008) for the President's Marketing Advisory Fund. The CEO of Tourism Saskatchewan determines provincial marketing campaigns in consultation with the President's Marketing Advisory Council. The additional amount represents unspent marketing funds from the 2008/2009 marketing contracts with the tourism regions and industry partners and is being restricted for this purpose consistent with the recommendation presented in the renewal of the MOA agreement of April, 2002.

Changes to the net assets restricted for the President's Marketing Advisory Fund are as follows:

	2009	2008
Beginning balance	\$160,909	\$140,473
Funds transferred from Partnership Marketing Advisory Fund representing unspent marketing funds from previous year's marketing contracts	107,063	28,370
Less expenditures	(143,155)	(7,934)
<b>Ending balance</b>	<b>\$124,817</b>	<b>\$160,909</b>

## *c) STEC Fund*

In 2005, the Authority's board of directors set up a restricted fund for operational purposes for expenditures with the Saskatchewan Tourism Education Council (STEC).

Changes to the net assets restricted for the STEC fund are as follows:

	2009	2008
Beginning balance	\$400,000	\$163,966
Less expenditures incurred during year for training	-	(44,660)
Add internally imposed restrictions during the year	-	280,694
<b>Ending balance</b>	<b>\$400,000</b>	<b>\$400,000</b>

# Tourism Saskatchewan

Notes to the Financial Statements • September 30, 2009

## d) Initiatives Fund

The Authority's board of directors has internally restricted funds to be used for certain initiatives. No funds are restricted in 2009, (\$123,037 – 2008). Costs of \$134,357 were incurred in 2009 relating to prior years restrictions. The total amount remaining in the Initiatives Fund is \$44,469 and is restricted to the Foundation Development Fund.

Changes to the net assets restricted for the initiatives fund are as follows:

	2009	2008
Beginning balance	\$178,826	\$223,315
Internally imposed restrictions during the year	-	123,037
Less expenditures incurred during the year	(134,357)	(167,526)
<b>Ending balance</b>	<b>\$44,469</b>	<b>\$178,826</b>

## 9. COMMITMENTS

### Leases

The Authority has entered into leases for office premises in Regina and Saskatoon and Visitor Reception Centres at various locations in the province. The future minimum lease payments are as follows:

2009	\$329,103
2010	\$120,077
2011	\$120,077
2012	\$120,077
2013	\$120,077
2014 thereafter	\$665,740

## 10. CHANGES IN NON-CASH WORKING CAPITAL ITEMS

	2009	2008
Accounts receivable	\$14,014	\$(253,604)
GST receivable	(40,843)	(45,816)
Inventory	7,911	18,529
Prepaid expenses	7,305	44,658
Accounts payable and accrued liabilities	816,855	105,462
Deferred grant contribution	-	430,000
Unearned revenue	(130,171)	(149,951)
<b>Change in working capital</b>	<b>\$675,071</b>	<b>\$149,278</b>

# Tourism Saskatchewan

Notes to the Financial Statements • September 30, 2009

## 11. ECONOMIC DEPENDENCE

The Authority receives approximately 74% of its revenue from the Ministry of Tourism, Parks, Culture and Sport. The Authority is dependent on the funding from the Ministry in order to maintain operations at the current level.

## 12. CAPITAL MANAGEMENT

The government funding provided to the Authority must be used to deliver the Authority's business plan. At each fiscal year end, the maximum amount of restricted net assets as per the audited financial statements cannot exceed \$900,000. Any amount in excess of this shall be paid to the Minister of Finance within 90 days. The Authority is also allowed to accumulate up to \$250,000 in unrestricted net assets. Again, any amount in excess of this amount shall be paid to the Minister of Finance within 90 days. To stay within these restrictions, Managers receive monthly spending reports compared to budget. Revised budgets are done twice a year to ensure responsible and accurate program spending with excess funds reallocated as required.

## 13. WESTERN ECONOMIC PARTNERSHIP AGREEMENTS

During 2003/04, the Authority entered into an agreement with the Government of Saskatchewan and received \$558,750 to help fund Rendezvous Canada in 2005 and 2006, as well as the Trade Development Strategy. As of September 30, 2009, \$44,468 (2008 - \$120,737) remains in unearned revenue to be used in 2009/10 for the implementation of the Trade Development Strategy.

## 14. DEFINED CONTRIBUTION PENSION PLAN

The Authority has a defined contribution plan for employees. The Authority's obligations are limited to matching contributions made by the employees for current services. During the year, the Authority contributed, \$287,737 (2008 - \$224,629).

## 15. COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform with the current year's presentation.



# Tourism Saskatchewan

Schedule of Administration Expenses • Year Ended September 30, 2009

## SCHEDULE I

	2009	2008
Amortization	\$23,142	\$20,618
Building rental	54,773	51,686
Equipment rental	15,507	17,650
Insurance	16,350	12,649
Interest and bank charges	8,930	2,161
Legal	15,886	4,042
Postage	19,633	22,844
Professional services	446,501	138,366
Repairs and maintenance	22,065	16,212
Salaries and benefits	1,433,230	1,530,821
Stationery and supplies	46,851	33,278
System consulting/development	15,054	18,735
Telephone	15,772	13,930
Travel	54,284	60,780
Video write off	-	28,553
	<b>\$2,187,978</b>	<b>\$1,972,325</b>

See accompanying notes to financial statements.

# Tourism Saskatchewan

Schedule of Education and Training Expenses • Year Ended September 30, 2009

## SCHEDULE 2

	2009	2008
Amortization	\$37,284	\$33,218
Building rental	79,540	75,057
Professional services	78,646	53,593
Salaries and benefits	1,107,810	728,156
STEC training costs	1,795,775	1,163,249
Travel	68,305	67,850
Video write off	-	46,002
	<b>\$3,167,360</b>	<b>\$2,167,125</b>

See accompanying notes to financial statements.

# Tourism Saskatchewan

Schedule of Marketing and Advertising Expenses • Year Ended September 30, 2009

## SCHEDULE 3

	Unrestricted Operations	Internally Restricted Initiatives	Internally Restricted for Partnership Marketing	Internally Restricted for President's Marketing Advisory	Total 2009	Total 2008
Advertising and media publicity	\$1,802,251	-	\$3,551	\$143,155	\$1,948,957	\$1,493,752
Amortization	62,484	-	-	-	62,484	55,668
Association and professional dues	26,978	-	-	-	26,978	15,275
Audio visual supplies	116,475	-	-	-	116,475	42,407
Building rental	87,160	-	-	-	87,160	82,248
Courier and freight	53,729	-	-	-	53,729	46,191
Events	295,723	-	-	-	295,723	222,348
Partnership Marketing Fund	1,455,565	-	-	-	1,455,565	1,279,587
Postage	37,853	-	-	-	37,853	25,000
Professional services	1,773,006	\$134,357	-	-	1,907,363	697,431
Promotional items	67,880	-	-	-	67,880	57,211
Salaries and benefits	1,761,523	-	-	-	1,761,523	1,390,786
Subscriptions and reference material	8,479	-	-	-	8,479	2,310
Telephone	38,676	-	-	-	38,676	22,752
Travel	404,321	-	-	-	404,321	438,784
Travel show costs	218,128	-	-	-	218,128	137,382
Video write off	-	-	-	-	-	77,093
	\$8,210,231	\$134,357	\$3,551	\$143,155	\$8,491,294	\$6,086,225

See accompanying notes to financial statements.

# Tourism Saskatchewan

Schedule of Membership and Visitor Services Expenses • Year Ended September 30, 2009

## SCHEDULE 4

	2009	2008
Amortization	\$134,224	\$119,585
Building rental	254,814	240,452
Postage	221,094	177,636
Printing, publishing and duplication	49,359	70,297
Salaries and benefits	531,764	537,042
Telephone	54,206	51,761
Travel	17,704	13,204
Travel literature	398,840	350,551
Video write off	-	165,607
	<b>\$1,662,005</b>	<b>\$1,726,133</b>

See accompanying notes to financial statements.



# Proud Partner in Tourism

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